REMARKS/ARGUMENTS

Claims 1-4, 26, 27 and 32-35 are pending herein. Claim 1 has been amended to correct an editorial error. Claim 26 has been amended as supported by page 111, lines 13-18 of the specification, for example. Applicants respectfully submit that no new matter has been added.

1. Claim 1 was rejected under §102(e) over Akimoto et al. This rejection is respectfully traversed.

Pending claim 1 recites a display system including a display, and a display area separating section that separates a display area of the display into moving picture and still picture areas, wherein gradational expressions of images in each of the moving picture and still picture display areas are separately formed.

As supported by the present specification, "gradation" in the context of the pending claims is the level of brightness with respect to each dot of each individual pixel within the display area. According to an embodiment of the present invention, data is written to each dot of each pixel to control the amount of time that the picture element contacts the waveguide to reflect or scatter light for a given image (e.g., "ON" time). By controlling the ON time of the individual picture element for a given image, the amount of light reflected or scattered can be controlled and therefore the brightness or gradation of the image can be controlled on a dot-by-dot or pixel-by-pixel basis. Since the ON time of each picture element, and therefore the gradation of the image, can be controlled on a pixel-by-pixel basis, gradational expressions of separate images can be separately controlled. Therefore, according to the present invention, the gradational expression of images in each of the moving picture and still picture areas are separately formed.

Beginning on page 55, line 22 of the specification, the gradation control in accordance with an embodiment of the present invention is disclosed. As argued in the previous Amendment, the present application discloses several methods for separately controlling the gradational expression of the image in the different picture

areas including fixing elements in an ON/OFF state, and temporal modulation of the plurality of picture elements, by subfield and/or linear subfield driving.

Akimoto discloses a TN (Twisted Nematic) mode liquid crystal display system wherein the display can be divided into a moving picture area and a still picture area where each pixel is turned on or off by a combination of control signals derived by a write signal generating circuit. Applicants respectfully submit that Akimoto does not disclose or suggest, however, separately controlling the gradational expressions of images in separate still picture and moving picture display areas.

Fig. 3 of Akimoto shows the display area separated into the moving picture display area and the still picture display area as the PTO argued. However, Akimoto does not disclose or suggest separately controlling the gradational expression of images within these areas. The "gradational expression" referred to by the PTO is, in fact, the separation of the moving picture area and the still picture area, not the separate control of the pixel-by-pixel brightness of the images within these separate areas, as in the case of the presently claimed invention.

Column 7, line 2 of Akimoto discloses a two gradation still image signal output circuit. In this context, however, Akimoto is referring to the precision in which the image data is written to the display, controlled by the refresh rates and the precision of the A/D converter (see Col. 5, line 24--Col. 6, line 38). Again, Akimoto does not disclose or suggest using two different gradation methods for the still and moving picture areas, as in the case of the presently claimed invention.

For at least the foregoing reasons, Applicants respectfully submit that claim 1 defines patentable subject matter over Akimoto, and thus is in condition for allowance.

2. Claim 26 was rejected under §103(a) over Akimoto in view of Yamamoto et al. To the extent that this rejection might be applied against amended claim 26, it is respectfully traversed.

Claim 26 recites a method for managing a display wherein a display is constructed by arranging a large number of display components and the display area of the display is separated into a moving picture display area and a still picture display area on the basis of address data to indicate the display components supplied from a

central facility connected to a network. Claim 26 has been amended to clarify that gradational expressions of images in each of the moving picture and still picture display areas are separately formed.

The disclosure of Akimoto has been discussed above. Yamamoto discloses a video display apparatus including a network constructed among train stations to provide images to the individual display devices. The PTO argued that it would have been obvious to utilize the network disclosed by Yamamoto in the image display device disclosed by Akimoto.

As previously argued, Akimoto does not disclose or suggest separately controlling the gradational expression of the images within each of the moving picture and still picture display areas. Yamamoto does not overcome this deficiency. Therefore, Applicants respectfully submit that claim 26 defines patentable subject matter over Akimoto, even if combined with Yamamoto and thus is in condition for allowance.

For at least the foregoing reasons, Applicants respectfully submit that this application is in condition for allowance. Accordingly, the PTO is requested to issue a Notice of Allowance as soon as possible.

If the Examiner believes that contact with Applicants' attorney would be advantageous toward the disposition of this case, the Examiner is herein requested to call Applicants' attorney at the phone number noted below.

The Commissioner is hereby authorized to charge any additional fees associated with this communication or credit any overpayment to Deposit Account No. 50-1446.

Respectfully submitted,

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SPB/SEC/gmh

BURR & BROWN P.O. Box 7068 Syracuse, NY 13261-7068

Customer No.: 025191 Telephone: (315) 233-8300 Facsimile: (315) 233-8320